



## **Maryland Clean Fuels Incentive Program (CFIP) Guidelines**

### **1. Program Description**

- The primary goal of the State Fiscal Year 2021 (FY21) Clean Fuels Incentive Program (CFIP) is to reduce consumption of imported petroleum through the use of homegrown alternative fuels that will result in a cleaner and greener transportation sector within Maryland, improving the state's economy and environment in the process.
- The CFIP has two areas of interest (AOI):
  - AOI 1- Fleet Alternative Fuel Vehicles,
  - AOI 2- Publicly Available Alternative Fuel Infrastructure.
- AOI 2 provides funding for publicly accessible alternative fueling infrastructure.

### **2. Type of Grant Program**

- Grant funds will be awarded on a competitive basis.
- This is a reimbursement program and award recipients must provide their own funding to cover expenses as they are incurred.
- A grantee will be reimbursed for eligible costs only after a grant agreement is executed between MEA and the applicant, fueling/charging infrastructure has been completed and is operational, all eligible project expenses have been paid, and supporting documentation has been submitted to MEA.

### **3. Program Budget and Incentive Structure**

- The total amount of funding currently available for the Program for both AOI in FY21 is up to \$1,300,000. However, MEA reserves the right to increase or decrease the program budget.
- The source of the Program funding is the Strategic Energy Investment Fund (SEIF). The SEIF consists of a variety of funding sources, the main source of proceeds is historically from Regional Greenhouse Gas Initiative (RGGI) auctions.
- MEA reserves the right to reduce the grant amount specified in a grant agreement to an amount deemed appropriate based on the availability of program funds.
- MEA also reserves the right to partially fund a proposal by funding only a portion of a proposed project. In this event, the grantee and MEA shall work to reach an agreement on a reduced scope of work commensurate with the level of available funding.
- Award amounts are based on AFV technology and capped at 50% of AFV refilling/charging station project cost. Note that there may be multiple stations per project location:

	<b>Maximum Grant Award Cap per Station</b>
<b>Propane</b>	<b>\$100,000</b>
<b>Ethanol</b>	<b>\$35,000</b>
<b>DC Fast Charger</b>	<b>\$55,000</b>
<b>Natural Gas</b>	<b>\$500,000</b>
<b>Hydrogen</b>	<b>\$300,000</b>

- Eligible Costs
  - Eligible costs under this grant program include those costs directly attributable to the site design, equipment installation, labor, site preparation, upgrade for utility connections, signage and equipment necessary to implement and operate the proposed AFV refilling/charging station. In addition, installation of equipment for the on-site production and dispensing of hydrogen fuel will be considered an eligible cost.
  - Ineligible costs include mobile refueling equipment, the purchase of fuels to stock the fueling station, and any ongoing equipment and site maintenance costs.

#### **4. Program Eligibility and Requirements**

##### **4.1. Applicant Eligibility**

- Applicants must be in good standing with the Maryland State Department of Assessments and Taxation.
- Applicants are ineligible to apply for Program funding if projects have previously been awarded or are expecting award funding through the state's VW Environmental Mitigation Trust Fund program(s) and/or other State funding programs.
- An applicant cannot submit an application to both AOI 1 and AOI 2, only one or the other.
- Applicants must be a business.
  - Regulated utilities, local governments, and state government agencies are not eligible to apply.

##### **4.2. Project Eligibility and Requirements**

- Projects must occur after September 15, 2020. Deposits to hold/order vehicles may occur prior to September 15, 2020.
  - Any applicant who starts a project and incurs costs before receiving a fully executed grant agreement does so at its own risk.
- Projects must be completed and reimbursement materials submitted to MEA within 12 months of the grant execution date.
  - An applicant may request an extension of the grant for 6 months by emailing the Program Manager a request containing documentation that verifies the expected completion date. Extensions may be granted solely at MEA's discretion and are not guaranteed to be approved. Any approved extension will require the execution of a grant amendment. As such, any extension request should be received by MEA at least 60 days prior to the end date of the period of performance.

- Project must operate for no less than 5 years.
- Stations must be accessible on a 24/7 basis. All stations must contain adequate lighting for all weather conditions.
- Projects must utilize commercially available technologies. Grants will not be awarded to fund research or demonstration projects.
- Remain operable and accessible year round and be maintained to be free of both manmade and natural obstructions.
- For DC Fast Charging and ethanol projects, accessibility and payment options shall be offered without restriction based on network membership or subscription. Successful applicants must install payment infrastructure that allows customers to use commonly accepted credit card vendors (e.g. Visa, Master Card). There are no specific payment accessibility requirements for propane, natural gas, or hydrogen projects, but the application should clearly state which payment options will be provided.
- Stations installed under this grant are public accommodations and must be accessible to all drivers. Each successful applicant must demonstrate that the installation will meet the accessibility standards outlined in the Americans with Disabilities Act.
- In order to enable AFV drivers to locate and identify refueling/recharging sites, wayfinding and site signage is required for each AFV fueling/charging station location funded through this program. Each application must include a plan for installing signage approved by the Maryland Department of Transportation (MDOT) and its modal agencies (e.g. State Highway Administration (SHA) and Maryland Transportation Authority (MTA), as appropriate). Additional information on the governance of signage on Maryland roads can be found in the 2011 Manual on Uniform Traffic Control Devices (MUTCD) with the Maryland Supplement. This document can be found at:  
<http://www.roads.maryland.gov/Index.aspx?PageId=835>
- Eligible Technologies
  - Ethanol (E85 or Intermediate blends-E15 TO E50)
    - Ethanol compatible equipment
    - Dispenser must be UL or manufacturer approved for high level ethanol blends
    - Ethanol compatible hoses
    - Label dispenser with all E85/intermediate ethanol blend logos, cautionary and required decals.
    - Use nozzle covers indicating E85/intermediate ethanol blends • Ethanol pumps shall be located under canopy.
  - Propane
    - Installations must follow NFPA 58: Liquefied Petroleum Gas Code
    - Minimum flow rate of 8 GGE/min
    - Installations must dispense HD5 grade propane
    - K15 quick connect nozzle technology.
    - Installations must be able to accommodate multiple vehicle classes.
    - While not required, it is recommended that installations generally follow the minimum dispenser specifications developed by the Propane Education & Research Council (PERC), which can be [found here](#).
  - Natural Gas
    - Station must dispense fuel at a minimum rate of 8 gasoline gallon equivalent (GGE) per minute.
    - Station must sell natural gas at a pressure of at least 3,600 psi.

- Installations must follow NFPA 52: Vehicular Gaseous Fuel Systems Code.
- DC Fast Charger
  - Direct-current (DC) fast charging equipment, sometimes called DC Level 3 (typically 480 V 3-phase AC input) must be installed to enable rapid charging of electric vehicles.
  - Equipment and supporting network must utilize an open communication standard that allows charging stations and central systems from different vendors to communicate.
  - Equipment must provide a minimum of 50 kW output power per vehicle. Equipment that provides 150 kW+ output power per vehicle is preferred.
  - If equipment only provides 50 kW power, the project site must be pre-wired and equipped to increase power levels to a minimum of 150 kW output power per vehicle.
  - Higher power levels (of both equipment and/or of pre-wiring for future installs) will receive higher scoring.
  - Application must clearly state the projects anticipated power output.
  - Equipment must be configured in at least one of the following ways:
    - At least 2 dual chargers with both CHAdeMO and SAE CCS connectors per project site.
    - At least 2 CHAdeMO fast chargers, and at least 2 SAE CCS fast chargers per project site.
    - Higher quantity of chargers per project site that demonstrate higher levels of redundancy will receive higher scoring.
    - While not a requirement, equipment capable of enabling dynamic power management to optimize power output per station will receive higher scoring.
    - While not a requirement, equipment employing a scalable architecture, or other future-proofing technologies, will receive higher scoring.
- Hydrogen
  - To the extent practicable and with consideration of local ordinances, the following should be used as a guideline for hydrogen refueling station design: National Fire Protection Association (NFPA) 2: Hydrogen Technologies Code: 2011, <http://www.nfpa.org>
  - Must be designed to accept delivery of hydrogen fuel from a mobile refueler or hydrogen tube trailer if on-site hydrogen production goes off line.
  - Hydrogen dispensed at the station(s) shall meet the requirements in the Society of Automotive Engineers (SAE) International J2719: 2011, "Hydrogen Fuel Quality for Fuel Cell Vehicles" ([www.sae.org](http://www.sae.org)).
  - Have a minimum average daily fueling capacity of no less than 100kg. Each project must be able to deliver the rated daily capacity over a 12-hour period. The average daily station capacity (kg/day) shall be the total kg of hydrogen that can be delivered to a 7 kg-capacity fuel cell vehicle according to the SAE J2601, over a 12-hour period.

## **5. Grant Process**

### **5.1. Program Timeline**

- 9/15/2020: Program application period opens.

- 12/15/2020: Program application period closes. Applications must be received at MEA by 5:00 PM EST. Confirmation will be sent to each applicant verifying receipt of application.
- December 2020: Evaluation of grant applications.
- December 2020/January 2021: Award notification- notification of grant award or denial will be made to all applicants.
- January 2021: Grant agreements sent to grantees that received award notifications. Executed grant agreements signed by both parties must be received by MEA.
- Ongoing: Grantees may be expected to periodically update MEA on status of project.
- TBD 2021-2022: Projects must be completed within 12 months (18, if provided extension by MEA) of grant agreement execution. All invoices must be submitted to MEA for reimbursement.
- TBD: Quarterly operation reports.
- Should not all Program funding be awarded, MEA may consider opening an additional application window later in FY21.

## 5.2. Application Submission Instructions

- Application forms can be obtained on the Program Website.
- A complete application package consists of a complete application form and supporting documentation.
- Each interested party must complete an application package and send or deliver\* it along with all required documentation to:
  - Mike Jones
  - Transportation Program Manager
  - Maryland Energy Administration
  - [michael.jones1@maryland.gov](mailto:michael.jones1@maryland.gov)
- Application packages are required to be submitted by email.
  - Email subject line should follow the naming convention: "Fleet Name- MEA FY21 CFIP Application Package-AOI 2". For example, an application submitted by ABC Company on November 18th, 2020 would be submitted as "ABC Company- MEA FY21 CFIP Application Package- AOI 2"
  - Application form should be saved as an Excel file using the following naming convention: "Fleet Name- MEA FY21 CFIP Application Form". Do not re-save and submit the file as a PDF.
  - Attach supporting documents as separate files. Do not combine each piece of supporting documentation into one file attachment.

## 5.3. Application Contents

- Application Form
  - Information demonstrating that the project meets the requirements.
  - General project narrative, including any innovative technology integration, concepts, or partnerships. Project narratives should include any partnerships between the applicant and any fleet, business, or government.
  - The total amount of alternative fuel to be consumed and the amount of estimated annual petroleum displacement. Displacement estimates should be provided in either Gasoline Gallon Equivalent (GGE) or Diesel Gallon Equivalent (DGE). The methodology used to calculate the displacement estimates must be provided. MEA's preferred methodology is that calculated by the [US DOE AFDC](#).

- Description of the project location, including the specific street address of the proposed station. Description should include the following information for each proposed site:
  - An aerial map(s) (i.e. Google Maps – Satellite view) of the station location and location in relation to other public fueling stations of that technology type. Descriptions should discuss the proposed station’s proximity to other public fueling stations of that technology type.
  - Number of chargers/pumps/dispensers.
  - Identify geographic area served.
  - Identify distance from nearby highway exits.
- For DC Fast Charger applications only: discuss accessibility and proximity to amenities, such as restrooms, food, local restaurants, retail shopping, wi-fi, and cellular service.
- Total estimated project cost and the specific grant amount the applicant is seeking to complete the project. Applicants must demonstrate the minimum required minimum 50% cost share.
- Supporting Documentation
  - Documentation regarding ownership of potential properties must be provided.
  - Draft budget with a breakdown of utility infrastructure (i.e., upgrade for utility connections), dryer, filter, storage, gas compressor, dispenser, engineering, permitting and labor costs as well as any other relevant expenses.
  - Implementation timeline.
  - Documentation of financial commitments from banks or investors.
  - Operations and maintenance plan/schedule.
  - Signage plan.
  - Narrative describing any experience installing, operating, or maintaining alternative fuel stations.
  - Biographies of key project personnel.

#### 5.4. Grant Selection

- If an application is selected for a grant award, a grant agreement between MEA and the applicant will be prepared that establishes the terms and conditions of the grant.
- A grant agreement is considered to be fully executed when the agreement has been signed by both MEA and the applicant as well as date stamped by MEA.

#### 5.5. Reimbursement Process

- Once the project has been completed, grantees must submit documentation in order to receive the grant funds.
- MEA reserves the right to conduct verification site visits to document the installed infrastructure.
- Reimbursement requests must be submitted by email to the Program Manager.
- Reimbursement requests can occur individually after each fueling/charging station has been purchased and delivered, however it is preferred that the grantee submit a request for reimbursement for all fueling/charging stations at the same time.
- MEA will not fund costs in excess of the executed grant amount or in excess of the percentage of the project costs that grantee agrees to provide, whichever is less.
- After MEA approval of the final documentation, MEA will process the grant for payment. Required documentation includes:

- A signed payment request, on applicant letterhead, for the amount to be paid. Request should contain payee contact information.
- All supporting documentation of paid eligible project expenses.
- Photo (copies) of each fueling station/charging station.

## **6. Application Evaluations**

- MEA will evaluate CFIP applications on the following criteria. MEA may request supplemental information from an applicant to assist with evaluation of the application.
  - The amount of fossil fuel to be displaced.
  - Cost Effectiveness (requested CFIP dollars/estimated petroleum displacement gallons per project per year).
  - The level of financial support needed by the applicant to complete the project.
  - Project sustainability, level of commitment to continued deployment of alternative fuel infrastructure.
  - Innovative technology, concepts, and partnerships.
  - The applicant's experience with/history of purchasing, operating and maintaining alternative fuel vehicles/infrastructure.

## **7. Terms and Conditions**

### **7.1. Reporting Requirements**

- All grantees will be required to submit quarterly construction reports during the construction of the project(s). Quarterly reports will be submitted to MEA within 15 days after the end of each quarter. Reporting quarters end March 31, June 30, September 30 and December 31.
- All grantees will be required to submit quarterly operation reports for for 5 years beginning the first quarter after project completion.
- Quarterly operation reports should be submitted on the form provided by MEA.
- The reporting information submitted to MEA will include but is not limited to the following:
  - Location: address, city, zip, county
  - In-service date
  - Total fuel gallons consumed
  - Gallons of gasoline and/or diesel fuel displaced (confirm displacement calculation methodology).
  - Any operational or maintenance issues.
- Reports for public infrastructure may be made available to the public.
- Failure to submit quarterly reports is considered a violation of the terms and conditions of the signed grant agreement. Moreover, MEA reserves the right to recapture the incentive funds from the applicant and/or bar the applicant from participating in the CFIP in the future if they do not provide timely and accurate reports as required.

### **7.2. Communications with MEA**



- The grantee shall notify MEA of any problems, operational changes, or ownership changes from the original project proposal. Any notification made in compliance with this condition should be made to MEA via email and should be provided within 10 days of the problem or change.
- All grantees shall collaborate with MEA's Program Manager and Director of Communications in preparation of press releases or blog posts concerning work related to the Program. In addition, all participants shall notify MEA's Program Manager and Director of Communications regarding any media interviews/news stories/social media etc. in which the project using Program funding is referred to or discussed.
- All grantees shall confer with MEA's Program Manager and Director of Communications to determine the feasibility of placing MEA promotional stickers on each fueling/charging station that receives Program funding.

### 7.3. Site Visits

Grantee shall allow MEA employees or representatives access to the relevant project so that MEA may perform monitoring visits to provide technical assistance and to ensure that project requirements are fully satisfied. Grantee shall also allow MEA employees or representative's access to the relevant project site in order to take photographs or video of the project for MEA use. Upon reasonable notice from MEA, the Grantee shall assist MEA in any efforts to virtually monitor and inspect the project, including but not limited to supplying MEA with any relevant photographs or documents. Also, when requested, Grantee shall agree to participate in remotely recorded video discussions to verify compliance with the grant.

### 7.4. Permits

- Grantee is responsible for identifying and obtaining all local, State and federal permits and licenses necessary for the implementation and operation/execution of a project.

### 7.5. Confidentiality of Information

- MEA will treat information clearly and reasonably identified by the applicant as confidential commercial information or as a trade secret in accordance with Maryland's Public Information Act (PIA) as set forth in Title 4 of the General Provisions Article of the Annotated Code of Maryland.

### 7.6. Project Location Workforce Requirement

- Projects must comply with §§ 9-20B-05 of the State Government Article, which requires that at least 80% of workers participating in a project or program that receives money from the SEIF must reside within 50 miles of the project or program. As the Program is a statewide program, MEA will determine compliance based on whether at least 80% of worksite workers reside in Maryland, or within 50 miles of Maryland's borders.

### 7.7. American Manufactured Goods



- If the grantee is a unit of State or local government, this grant must comply with §§ 14-416 and 17-303 of the State Finance and Procurement Article.

## **8. Contact Information**

- Any questions regarding these guidelines and applications should be directed to:
  - Mike Jones
  - MEA Transportation Program Manager
  - michael.jones1@maryland.gov